



County of Los Alamos

Los Alamos, NM 87544
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Council Meeting Staff Report

June 28, 2022

Agenda No.:	F.
Indexes (Council Goals):	* 2022 Council Goal - Investing in Infrastructure, DPU FY26 - 1.0 Provide Safe and Reliable Utility Services
Presenters:	James Alarid
Legislative File:	AGR0871-22

Title

Approval of Services Agreement No. AGR 22-68 with Molzen-Corbin for the Purpose of the Water Production Facilities Electrical and Mechanical Upgrades Design

Recommended Action

I move that Council approve Services Agreement No. AGR 22-68 with Molzen-Corbin in the amount of \$209,604.00, a contingency in the amount of \$25,000, for a total project budget of \$234,604.00, plus applicable gross receipts tax, for the purpose of the Water Production Facilities Electrical and Mechanical Upgrades Design.

Utilities Manager Recommendation

The Utilities Manager recommends that Council approve the motion as presented.

Board, Commission or Committee Recommendation

The Board of Public Utilities reviewed this request at their regular meeting of June 15, 2022 and recommends that Council approve the motion as presented

Body

This is the first project that will take place in upcoming years resulting from the findings of the recently completed condition assessment of 30 water production facilities. Molzen-Corbin was hired in 2021 to perform the condition assessment, identify deficiencies and prepare a prioritized list of projects for the water production system wells and booster stations. As a parallel effort the Department of Public Utilities (DPU) has been working on securing a low interest loan from the New Mexico Finance Authority Drinking Water State Revolving Loan program. The loan will close on July 8, 2022 securing \$2,727,000 for the highest priority projects. The highest priority projects are associated with the water supply wells. We are experiencing an increasing number of failures due to the electric equipment, motor controls failures and power supply failures primarily due to the equipment is approaching, or at the end of its service life. A variety of styles of valves will be replaced/rebuilt where needed to maintain reliable operation of the well.

Molzen-Corbin was the only firm to submit a proposal. The design will take place over the summer of 2022 and we plan to bid the project for construction in the fall of 2022. Work will commence as soon as possible on wells that are out of service, but the majority of the construction will take place after peak water demand season in the fall of 2023 and due to expected long lead times to receive electrical gear. We are experiencing lead times ranging from 6 months to over a year for electric materials on current projects and for materials ordered by our electric distribution department.

Alternatives

If the agreement is not approved staff will evaluate other options to secure these engineering services to complete this critical work and avoid cancelling the construction loan.

Fiscal and Staff Impact

\$200,000 has been budgeted in the FY2022 capital budget for these design services. The \$34,604.00 overrun will be funded by \$50,000 budgeted for the White Rock Shop Facility, which has been deferred.

Attachments

A - Agreement AGR22-68_Molzen-Corbin